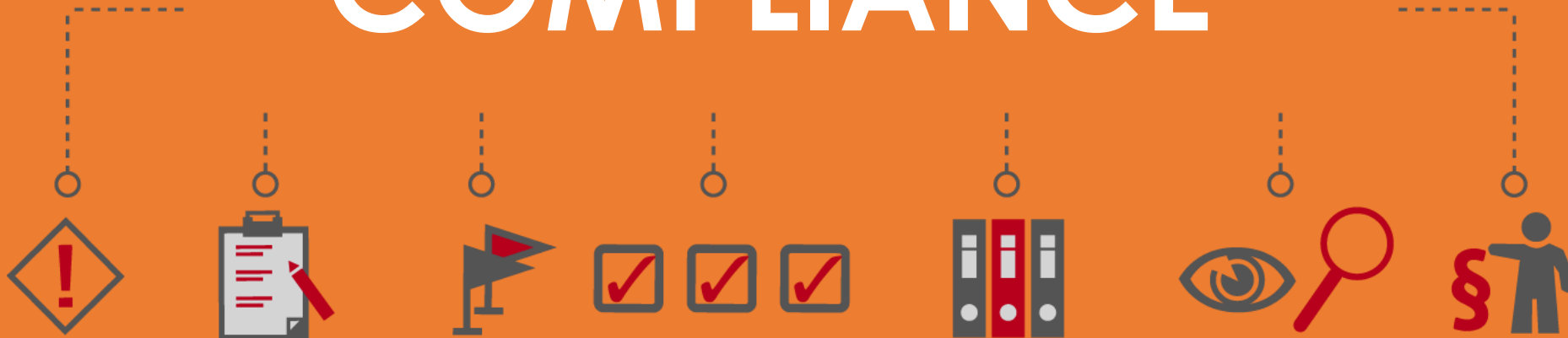




# ALL ABOUT COMPLIANCE



# About Compliance on Daraz

**Seller compliance on Daraz consists of two branches**

## **SELLER PERFORMANCE**

- Seller standard operations policy
- Seller Score Card
- Out of stock rate
- Order processing time
- Quality return rate
- Response rate
- Daily Order Limit
- Pending Order Limit

## **SELLER VIOLATIONS**

- Seller Compliance Policy
- Non-compliance points
- Financial penalties

**In this presentation, we will be covering everything you need to know about seller compliance on Daraz**

# Why Should I Comply to Daraz Policies?

To understand the importance of complying to Daraz policies, one must look at their objectives



To improve overall consumer experience so that customers can make purchase decisions with confidence & ease from a wide range of product assortment



Compliant sellers will have better business opportunities with Daraz as well as their customers. This builds stronger seller loyalty



A good consumer experience reflects well not just on you but also on Daraz as a platform – consistently making it the No. 1 choice for online shopping in South Asia!

# About Seller Scorecard

We know that running a successful business on Daraz comes with handling a lot of operations such as:

- Managing your inventory
- Keeping a check on orders
- Dealing with possible returns
- Responding to customer via instant messenger

The seller scorecard showcases the optimum operational performance that sellers must uphold for the following factors:

## **Out-of-Stock Rate**

The percentage of orders cancelled by sellers due to lack of inventory should be **less than 2%**

## **Order Processing Time**

The time duration between the order being placed by the customer to being shipped by the seller should be **less than 2 days**

## **Quality Return Rate**

The percentage of orders returned due to seller negligence should be **less than 2%**

## **Response Rate**

The percentage of customer queries sellers respond to via instant messenger should be **above 80%**

# Seller Scorecard

[Click here](#)

to learn more about the  
Scorecard in our Seller  
Performance Policy

	Upgrade (Unlimited) 	Downgrade (Probation) 	Temp Delist 	Permanent Delist 	
Criteria					
	OOS	2%	>4<=6 Days Greater than 4 % and less than or equal to 6%	>6% Greater than 6%	3 times temp delist in the last 6 cycles
	QRR	2%	>2% <=3% Greater than 2 % less than or equal to 3%	>3% & 3 Returns Greater than 3% & have had 3 returns	
	PT	2 Days	>4<=6 Days Greater than 4 Days less than or equal to 6 Days	>6 Days Greater than 6 Days	
	IM	80% or above	<60% (Less than 60%)	-	
Actions					
	DOL	10,000	10	0	-
	POL	10,000	10	0	-

# Daily Order Limit & Pending Order Limit

- **Daily Order Limit (DOL):** Number of orders that sellers can receive in one day
- **Pending Order Limit (POL):** Number of pending orders sellers can keep in a day
- Sellers receive their DOL and POL depending on their performance. The better they perform in accordance with the scorecard, the more doors open for them to maximize on profits through DOL & POL



# What is Seller Compliance Policy?



- All sellers already know that Daraz is a platform that allows you to run your e-commerce business independently
- However, for things to run as smoothly as possible, Daraz has set in place certain policies and guidelines that all seller must abide by
- Failure to follow these rules means that there are consequences to be faced – which is where the **Seller Compliance Policy** comes in
- The Seller Compliance Policy outlines the criteria to measure seller non-compliance points as violations made by a seller in the policies listed results in non-compliance points

# Introduction To Non-Compliance Points

- The non compliance points system measures sellers' compliance to Daraz's policies
- A seller receives non-compliance points due to negative and/or unfavorable actions which are not aligned with Daraz Policies
- It acts as a sort of deterrence to ensure that customers and sellers get the best buying and selling experience on our platform
- Based on the points accumulated, sellers may face different account limitations - the final stage being termination of account, if they accumulate 48 points



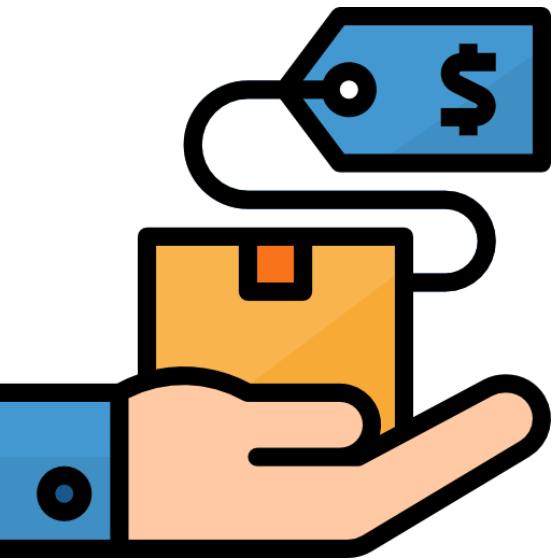


# Products Guidelines Policy

Daraz's Product Guidelines Policy outlines the standard guidelines sellers need to follow when uploading products on Daraz

This policy consists of three main guidelines;

- **Misleading product information** - All Sellers are required to provide complete and accurate information when uploading products (accurate information on product color, model, sizing, & variation, correct details of what's in the box & product weight information)
- **Product Returns due to quality** - Sellers shall not compromise on quality and deliver the correct product in proper packaging free from any defect and as advertised (returns due to seller fault are considered quality returns - instances where the delivered item is incorrect, incomplete, defective, damaged due to poor packaging, missing, or not as advertised)
- **Counterfeit & Prohibited Products** - No Seller will be allowed to sell fake or banned products and/or products not authorized to be sold on Daraz



# NCP for Product Guidelines Policy

Product Guidelines Policy Seller Non-Compliance Points Chart	Possible Consequences	Non Milestone Action
Prohibited product	Up to 48 points	Product lock
Counterfeit product	Up to 6 points	Product lock
Product with contact information	Up to 4 points	Product deactivate
Incorrect tagged product categories	Up to 3 points	Product deactivate
Misleading product	Up to 2 points	Product lock
Fake discount	1 point	Product deactivate
Product duplication	1 point	Product lock
Keyword spam in product details	1 point	Product deactivate
Products with bad customer feedback	1 point	Product lock

# Fair Trading Policy

The following actions are considered a violation of the Fair Trade Policy



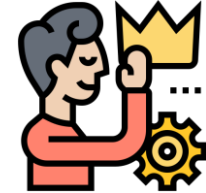
## Fraudulent Dealing

Defrauding Daraz or any of its customers



## Anti Competitive Behavior

Repeatedly giving bad reviews on another sellers products



## Self Promotion

Purchasing your products & giving good reviews



## Intellectual Property Violation

Replicate other sellers branding like images & content



## Misuse of Vouchers & Subsidies

Reusing single use vouchers



## Fulfilment Fraud

Fulfilling orders to customers offline

# NCP for Fair Trading Policy

This policy strives to eradicate fraudulent activities and inculcate professional and reliable seller behavior so that we can boost the confidence and preserve the trust of shoppers for our platform

Any breach of Seller Fraud Policy could result in the issuance of non-compliance points and/or restrictions to seller's account

## What are the consequences for sellers who are found to have committed Fulfillment Fraud?

Daraz may issue non-compliance points and/or directly deactivate the account depending on severity of the seller's non-complying actions. You may refer to the Non-Compliance Points Chart for more information

Fair Trade Policy Seller Non-Compliance Points Chart		Possible Consequences
Fraudulent Dealing		Upto 48 points
Anti-Competitive Behavior		Upto 48 points
Intellectual Property Violation		Upto 24 points
Voucher & Subsidies Abuse		Upto 48 points
Fulfillment Fraud		Upto 48 points
Self Promotion		Upto 36 points

# Seller Behavior Policy

**Daraz does not allow any sellers (or buyers) to deliberately create any form of an unhappy transaction, in any manner, for either party**

The Seller Behavior Policy covers the following;

- **Causing bodily harm** (verified case of a seller in the course of committing assault, causing bodily harm/physical hurt to any Daraz buyer or Daraz employee, within or out of the course of a sales transaction)
- **Issuing Threats to Buyers or Daraz employees** (threats of any kind, using any method including phone calls, text messages, emails or on our public communication spaces)
- **Sending SPAM messages** (we do not allow our sellers to send spam to our buyers. Spam is a message, or part of a message that is both unsolicited and commercial in nature. Unsolicited means that recipient did not request for the message. Commercial in nature means that the message discusses, buying, selling and/or trading of goods and services)
- **Profanity and Hate Speech** (we do not allow our sellers or buyers to use profanities, hate speech or misbehavior in their communication on the Daraz platform)



# NCP for Seller Behavior Policy

We strongly encourage all sellers (and buyers) to communicate with each other in accordance to our Communication Guideline. Any breach of Daraz's Seller Behavior Policy could result in issuance of Non-Compliance points. Please refer to the chart below;

<b>Seller Behavior Policy Seller Non-Compliance Points Chart</b>	<b>Possible Consequences</b>
<b>Customer/Employee Harassment – Causing Bodily Harm</b>	48 points
<b>Customer Harassment – Issuing Threats to Buyer</b>	Upto 48 points
<b>Use of profanity/swear words</b>	Upto 48 points
<b>Sharing contact details</b>	4 points
<b>Unsolicited Communication (SPAM)</b>	2 points

# Daraz Communication Guidelines




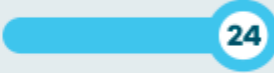


You should not make offers to customers to buy outside of Daraz or redirect them to purchase from other websites

Sellers are not allowed to send spam messages to customers via any communication space within or out of Daraz platform. Please do not send multiple messages within a short time as it appears unprofessional and frustrates the customers

Please refrain from using threatening language, profanities or hate speech in your communications with customers

Please do not exchange personal contact numbers, email addresses or web addresses with customers. All conversations, especially pertaining to transactions made through Daraz website, should be made through the Daraz platform (examples: IM, FAQ). Daraz will not be responsible for any error or fraud that occurs during a transaction that was executed outside our official platform

# Non-Compliance Points Milestones

Penalty		Points Received
Limited Traffic for 7 days		Products are visible in the seller's store but not searchable.
Listing Restriction and Limited Traffic for 14 days		Products are not editable. You may delete the product listing and update stock level. Products are visible in the seller's store but not searchable.
Listing Restriction for 14 days and All existing products permanently offline		Products are not editable. You may delete the product listing and update stock level. No products will be visible in the seller's store.
Termination from Platform		Store will be removed from Daraz.



# Understanding the Impact on Sellers



Search blocked for 7 days

Listing restriction + Search blocked for 14 days

14 day listing restriction + Products made offline permanently

Receives 48 non-compliance points + deactivation of store

Points	New Action	Communication Channel For Seller
0 – 11	Warning	Growth Center
12 – 23	Search blocked for 7 days	Growth Center, Call
24 – 35	Listing restriction & search block for 14 days	Growth Center , Call
36 – 47	Products offline (permanent) & listing restriction for 14 days	ASC, homepage, Growth center, Call
>= 48	Permanent account deactivation	ASC, Email

**WORST SITUATION  
FOR A SELLER!**

# How To Access The Policy Library?

Login to Daraz University with your Seller Center credentials

On the homepage, click on Content Library

In the Content Library, you may use the filter to search by **content**, **category** or **tags**. Select Policies & Guideline

You can now refer to the Daraz Seller Policies to familiarize yourself with relevant boundaries and best practices on how to conduct yourself

The screenshot shows the Daraz University homepage and the Content Library page. An orange arrow points from the 'Content Library' link in the top navigation bar to the Content Library page. The Content Library page features a search bar, a filter dropdown menu, and a list of policy documents.

**Navigation Bar:** Categories, Event Calendar, Content Library, Seller Services, Growth Assistant, Seller Support.

**Content Library Page:**

- Header:** Training Material to help you successfully run your Daraz Shop
- Filter:** Policies and Guidelines (selected), Policies & Guidelines, Search by Tag
- Sort by:** (dropdown menu)
- Clear all:** (button)

**Policy Documents:**

- Marketplace Commission Structure:** Daraz deducts commission from the payment depending on which category the product belongs to. So find the category...
- Prohibited Items:** Sellers must refrain from uploading prohibited products and others like them onto the website as the Quality Control...
- Daraz Return & Replacement Policy:** For unsuccessful deliveries/doorstep rejections, Sellers on Daraz must always accept returns within 30 days...
- Seller Compliance Policy:** Learn compliance guidelines which all sellers must adhere to while operating their business on Daraz

Join us in creating a  
**TRUSTED & DISCIPLINED**  
platform for our both sellers and customers

**HOPE YOU HAVE A  
HAPPY SELLING JOURNEY!**

For more tutorials, courses and policies,  
Visit Daraz University